

Defenses.

When a stockholder is not liable under this section by reason of an implied condition annexed to his subscription, that the entire amount of the capital stock shall be subscribed. When such implied condition exists, and how it may be waived. *Gettysburg Bank v. Brown*, 95 Md. 383; *Musgrave v. Morrison*, 54 Md. 164; *Morrison v. Dorsey*, 48 Md. 472. And see *Stillman v. Dougherty*, 44 Md. 384; *Garling v. Baechtel*, 41 Md. 306; *Hager v. Cleveland*, 36 Md. 476.

The fact that a corporation was not legally incorporated held to be no defense to an action by a creditor against a stockholder under article 26, section 52, of the code of 1860, when the legislature, by an act, had recognized the existence of the corporation. *Basshor v. Dressel*, 34 Md. 510.

Under the act of 1852, ch. 338, a stockholder when sued by a creditor of the corporation could not recoup a debt due him by the corporation. Equities as between creditors and stockholders. Contribution. Stockholders held not liable for debts contracted by the company subsequent to their parting with their stock. A pledgee of stock is not liable as a stockholder. (As to pledgees, see section 63.) *Matthews v. Albert*, 24 Md. 527. And see *Burgess v. Seligman*, 107 U. S. 30; *Emmert v. Smith*, 40 Md. 123; *Fiery v. Emmert*, 36 Md. 465.

Where a creditor agreed to rely only on the responsibility of the company and the sufficiency of the mortgage given to secure the debt, he could not recover against a stockholder, under article 26, section 52, of the code of 1860. *Basshor v. Forbes*, 36 Md. 166.

Generally.

Under the act of 1872, ch. 325, it was held that where one stockholder was required to pay a debt of the corporation, he was entitled to contribution from all other stockholders whose subscriptions were unpaid. Requisites of a declaration under this section in a suit by a creditor of the corporation who is himself a stockholder. Bill of particulars. Defenses. Evidence. *Weber v. Fickey*, 47 Md. 199. And see *Garling v. Baechtel*, 41 Md. 306; *Norris v. Wrenschall*, 34 Md. 492.

When a corporation already formed, has been authorized to increase its stock, while the obligation of a subscriber to such stock to pay for it enures under this section to the benefit of creditors of the corporation, the subscriber has no beneficial interest in the corporation as a stockholder until the stock is paid for. *Baltimore Passenger Ry. Co. v. Hambleton*, 77 Md. 351.

Under article 26, section 52, of the code of 1860, held that the stockholder's liability to one creditor might be enforced in an action at law, even where other creditors were shown to exist. Extent of the stockholder's liability under said section. *Norris v. Johnson*, 34 Md. 488. And see *Morley v. Thayer*, 3 Fed. 746.

The liability *vel non* of a stockholder in a safe deposit and loan company under this section, does not affect such stockholder's liability under section 116. *Murphy v. Wheatley*, 102 Md. 515.

A receiver appointed under section 376, *et seq.*, of the code of 1904 (see section 78), held to be entitled to sue to recover the balance due on a subscription to stock. *Stillman v. Dougherty*, 44 Md. 384.

The act of 1868, ch. 471, section 59, held applicable to increased capital stock issued under section 24, *et seq.* *Booth v. Campbell*, 37 Md. 529.

A suit to enforce a stockholder's liability, under article 26, section 52, of the code of 1860, might be brought under the practice act of 1864, ch. 6, applicable to Baltimore City. *Norris v. Wrenschall*, 34 Md. 492. And see *Coulbourn v. Boulton*, 100 Md. 354.

Section 72 of the code of 1904 referred to in deciding that a building association was liable on a note discounted for the purpose of raising money to pay a borrower the amount advanced to him. *Davis v. West Saratoga, etc., Union*, 32 Md. 294.

The act of 1872, ch. 325, repealed the act of 1872, ch. 203, approved on the same day. *Strauss v. Heiss*, 48 Md. 294.

The act of 1872, ch. 325, cited but not construed in *State v. Davis*, 70 Md. 240.

For notes on the liability of stockholders to creditors of the corporation, see *Matthews v. Albert*, 24 Md. 527; *Murphy v. Patapsco Ins. Co.*, 6 Md. 99.

See notes to sections 74 and 116.